### STATE OF CONNECTICUT



DEPARTMENT OF PUBLIC HEALTH

# TESTIMONY PRESENTED BEFORE THE PUBLIC HEALTH COMMITTEE MARCH 15, 2013

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## Senate Bill 992 - An Act Concerning Various Revisions To The Office Of Health Care Access Statutes

The Department of Public Health would like to provide the following information in support of Senate Bill 992. We thank the Committee for raising the Department's bill.

#### Section 1

The Office of Health Care Access ("OHCA") proposes to make it mandatory that the state's private non-profit acute care hospitals (those that are 501(c)(3) entities) file their IRS Form 990 on an annual basis with OHCA. The form is called a hospital's Return of Organization Exempt from Income Tax. OHCA started collecting these reports from the hospitals on a voluntary basis in 2007 and they have been cooperating with this voluntary filing since then. Included on this form is information on the Governing Body, Management and Policy, Compensation, Endowment Funds, Financial Assistance, Grants and Other Assistance as well as Community Benefits information. It is a source of information that enhances and supports the annual financial filings that OHCA already collects from the hospitals. Making this filing mandatory instead of voluntary will ensure continued collection of this information.

The Affordable Care Act requires each non-profit hospital to conduct a Community Needs Assessment (CNA) at least once every three years and make it "widely available to the public." OHCA proposes requiring hospitals to submit their CNAs, along with any related quantitative or qualitative data gathered in the assessment process, to OHCA once every three years. These assessments commonly include both quantitative and qualitative information on demographic characteristics of the population and identify the size and type of groups at risk for unmet needs. Detailed data on "need" that are gathered in the CNA process are critical to OHCA in conducting its biennial Statewide Health Care Facilities and Services Plan ("Plan"), as mandated by Conn. Gen. Stat. § 19a-634. The Plan includes an evaluation of the unmet needs of persons at risk and vulnerable populations as well as projections of future demand for health care services. By obtaining such data, OHCA will be able to enhance its planning process, since CNAs function

Phone: (860) 509-7269, Fax: (860) 509-7100 Telephone Device for the Deaf (860) 509-7191 410 Capitol Avenue - MS # 13GRE P.O. Box 340308 Hartford, CT 06134 An Equal Opportunity Employer as strategic plans comparing the projected healthcare needs of a population with the available supply of services. Moreover, OHCA will be able to do so at no additional cost to the state and without duplicating efforts on the part of the hospitals.

#### Section 2

OHCA proposes the elimination of the exception to OHCA's civil penalty statute wherein a civil penalty cannot currently be applied to health care facilities or providers that fail to complete an inventory questionnaire, as such questionnaire may be undertaken in relationship to OHCA's Statewide Health Care Facilities Plan ("Plan") and Inventory. For the first Plan and Inventory issued last year, OHCA issued several surveys to providers, including surveys on imaging equipment, ambulatory surgery services, hospital service lines and hospital primary care clinics. OHCA acknowledges that overall most providers were compliant with the submission of survey responses. However, not all of the respondents filed all the information on the surveys, such as utilization statistics. Further, getting the providers to file the information often took many months and numerous reminders. As OHCA begins to coordinate its resources for the next Plan and Inventory, to be published in 2014, it would like to make the filing of survey responses mandatory and be able to require responses in a more timely manner. This will be particularly helpful if the information collected and the types of facilities or providers surveyed expand beyond those from the first Plan and Inventory. Eliminating the exception that exists to the civil penalty statute will assist OHCA in its next Plan and Inventory process.

#### Section 3

OHCA proposes a definition of the term "detailed patient bill" for purposes of Conn. Gen. Stat. § 19a-681. Pursuant to that statute, OHCA collects acute care and children's hospital pricemasters or chargemasters and has the authority to compare a patient's hospital bill to the pricemaster filed with OHCA. When assisting consumers, it has been OHCA's experience that many times the document which patients receive from a hospital is a billing summary that does not identify all the items charged or uses coding other than the pricemaster coding filed with OHCA under Conn. Gen. Stat. § 19a-681. Outlining what a detailed patient bill is will require a hospital to provide a patient, upon request, with a detailed bill with all coding, description and prices, thereby allowing OHCA to make a more accurate comparison between the bill the patient received and the pricemaster or chargemaster on file with OHCA.

Thank you for your consideration of the Department's views on this bill.

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